# GOVERNMENT OF INDIA
# MINES
# LOK SABHA

UNSTARRED QUESTION NO:2656
ANSWERED ON:04.12.2007
DISINVESTMENT IN MINING INDUSTRY
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**Will the Minister of MINES be pleased to state:**

(a) whether the disinvestment process has an adverse impact on the mining industries resulting in the rise in unemployment in the country;

(b) if so, the details thereof;

(c) whether any review has been undertaken in this regard;

(d) if so, the outcome thereof; and

(e) if not, the reasons therefore?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF MINES (DR. T.SUBBARAMI REDDY)

(a) & (b) Hindustan Zinc Limited (HZL) was disinvested on 11.4.2002 with transfer of management control to the Strategic Partner (SP). HZL has informed that post disinvestment the Company has gone for modernization/debottlenecking and expansion projects and all these called for redeployment of manpower after VRS, skill upgradation and induction of fresh employees to meet the expansion requirements. HZL has 4640 workmen on its roll as on 31.10.2007.The disinvestment of HZL has not rendered any person unemployed due to disinvestment.

Bharat Aluminium Company Limited (BALCO) was disinvested on 2.3.2001 with transfer of management control to the Strategic Partner (SP). BALCO has informed that post disinvestment, the Company has been constantly making efforts for bringing more efficiency in all its operational areas for better productivity and particularly for modernistion and expansion of the Company which required reassessment/redeployment of manpower, upgradation, offering of VRS to employees as well as fresh inductions. BALCO has 5480 workmen on its roll as on 31.10.2007. Process of disinvestment has not created any adverse impact resulting in the rise in unemployment.

(c) Since management control has been transferred to Strategic Partner at the time of disinvestment, no review has been undertaken in this regard by the Ministry of Mines.

(d)to(e): Does not arise.